

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**RECEIVED**

APR 01 2004

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY  
ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

W-01351A  
Elfrida Domestic Water Users Association  
P.O. Box 356  
Elfrida AZ 85610

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2002</b>
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FOR COMMISSION USE

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## COMPANY INFORMATION

17-31-03

**Company Name (Business Name)** ELFRIDA DOMESTIC WATER USERS ASSOCIATION

**Mailing Address** P.O. Box 356  
(Street)

ELFRIDA  
(City)

ARIZONA  
(State)

85610  
(Zip)

520-642-3559  
Telephone No. (Include Area Code)

520-642-1219  
Fax No. (Include Area Code)

520-266-3597  
Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** SAME  
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** PAUL HAMMOCK MANAGER  
(Name) (Title)

10858 N. MARTINEAU  
(Street)

ELFRIDA  
(City)

ARIZONA  
(State)

85610  
(Zip)

520-642-3471  
Telephone No. (Include Area Code)

520-642-1219  
Fax No. (Include Area Code)

520-266-3597  
Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** SAME  
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** DALE MORTENSON  
(Name)

P.O. Box 96 ELFRIDA ARIZONA 85610  
(Street) (City) (State) (Zip)

520-642-3682 \_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** PAUL A. SMITH  
(Name)

317 AZ. ST. (P.O. BOX 5645) BISBEE ARIZONA 85603  
(Street) (City) (State) (Zip)

520-432-6970 \_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)  | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)  | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)   | <input type="checkbox"/> Association/Co op (A)                            |
| <input type="checkbox"/> Receivership (R)   | <input type="checkbox"/> Limited Liability Company                        |
| <input checked="" type="checkbox"/> Other (Describe) <u>A NON-STOCK CORPORATION</u> |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM             | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA           | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA               | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI            | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |   |                                   |

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

**UTILITY PLANT IN SERVICE**

YEAR ENDED 12-31-03

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	26,844	7,342	19,502
307	Wells and Springs	39,253	21,517	17,736
311	Pumping Equipment	107,692	19,613	88,079
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	8,103	8,103	--
331	Transmission and Distribution Mains	160,604	62,705	97,899
333	Services	7,265	6,040	1,225
334	Meters and Meter Installations	6,200	6,051	149
335	Hydrants	673	673	--
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	916	92	824
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	4,190	419	3,771
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>361,740</b>	<b>137,555</b>	<b>224,185</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

YEAR ENDED 12-31-03

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	26,844	8%	2,148
307	Wells and Springs	39,253	5%	1,962
311	Pumping Equipment	107,692	5%	5,385
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	8,103	5%	- - -
331	Transmission and Distribution Mains	160,004	5%	8,030
333	Services	7,265	5%	362
334	Meters and Meter Installations	6,200	5%	310
335	Hydrants	673	5%	- - -
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	916	10%	92
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	4,190	10%	419
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>361,740</b>		<b>18,708</b>

This amount goes on Comparative Statement of Income and Expense  
Acct. No. 403.

**BALANCE SHEET**

12-31-03

2003

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$	\$
134	Working Funds	24,603	16,102
135	Temporary Cash Investments	1,215	1,227
141	Customer Accounts Receivable	1,079	1,215
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	300	300
162	Prepayments	-	1,999
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 26,197	\$ 20,843
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 168,017	\$ 361,740
103	Property Held for Future Use		
105	Construction Work in Progress	86,126	-
108	Accumulated Depreciation – Utility Plant	113,847	132,555
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 140,296	\$ 229,185
	<b>TOTAL ASSETS</b>	\$ 166,493	\$ 250,028

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

12-31-03

2003

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 1,250	\$ 2,250
232	Notes Payable (Current Portion)	13,086	14,400
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	2,140	2,170
236	Accrued Taxes	3,864	2,654
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 20,340	\$ 20,874
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 52,788	\$ 129,046
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	22,004	22,504
272	Less: Amortization of Contributions	3,995	5,096
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 18,009	\$ 17,408
	<b>TOTAL LIABILITIES</b>	\$ 91,137	\$ 167,328
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	75,356	82,700
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 75,356	\$ 82,700
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 166,493	\$ 250,028

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

YEAR ENDED 12-31-03

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 62,065	\$ 64,005
460	Unmetered Water Revenue	811	1,088
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 62,876	\$ 65,093
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 8,534	\$ 7,943
610	Purchased Water		
615	Purchased Power	8,811	9,913
618	Chemicals		
620	Repairs and Maintenance	3,094	629
621	Office Supplies and Expense	4,495	2,880
630	Outside Services	2,700	1,515
635	Water Testing	2,535	1,190
641	Rents	3,176	3,176
650	Transportation Expenses	3,401	3,434
657	Insurance - General Liability	1,769	1,100
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	687	277
403	Depreciation Expense	7,635	18,708
408	Taxes Other Than Income	1,403	350
408.11	Property Taxes	3,344	2,429
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 50,584	\$ 53,544
	<b>OPERATING INCOME/(LOSS)</b>	\$ 12,292	\$ 11,549
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 20	\$ 19
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		3,527
427	Interest Expense	550	1,988
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ < 530 >	\$ < 5,506 >
	<b>NET INCOME/(LOSS)</b>	\$ 11,764	\$ 6,043



COMPANY NAME FLORIDA DOMESTIC WATER USERS ASSOCIATION

## SUPPLEMENTAL FINANCIAL DATA

### Long-Term Debt

12-31-03

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	5-30-01			
Source of Loan	WIFA			
ACC Decision No.				
Reason for Loan	NEW WELL PUMPING EQUIP TRANSMISSION LINES			
Dollar Amount Issued	\$ 150,000	\$	\$	\$
Amount Outstanding	\$ 143,446	\$	\$	\$
Date of Maturity	8-1-21			
Interest Rate	5.438%			
Current Year Interest	\$ 1,988	\$	\$	\$
Current Year Principle	\$ 4,973	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 2,170

Meter Deposits Refunded During the Test Year

\$ 340

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

## WATER COMPANY PLANT DESCRIPTION

12-31-04

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-573324	30	250	680'	16"	4"	1999
55-608154	30	250		12"	4"	
55-608155	15	100		12"	6"	

- Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	3	11	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
55,000 GAL	1	6,000 GAL	1
30,000 GAL	1	5,000 GAL	2

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-04

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	2,640
3	TRANITE	3,960
4	PVC	6,080
5	N/A	
6	TRANITE & PVC	14,520
8	N/A	
10	N/A	
12	N/A	

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	143
1	
1 1/2	
2	4
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

N/A

**STRUCTURES:**

① 24 X 24 X 8 Pump House

**OTHER:**

1 COMPACTOR

H

2,000

1 TRASH PUMP

2,190

COMPANY NAME: ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-04

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	220	3,018,273	3,018.27
FEBRUARY	213	1,464,145	1,464.15
MARCH	221	1,591,460	1,591.46
APRIL	219	1,490,569	1,490.57
MAY	226	2,639,688	2,639.69
JUNE	225	3,444,713	3,444.71
JULY	221	4,606,369	4,606.37
AUGUST	225	4,315,181	4,315.18
SEPTEMBER	225	3,354,850	3,354.85
OCTOBER	227	3,218,640	3,218.64
NOVEMBER	226	2,217,600	2,217.60
DECEMBER	226	1,976,620	1,976.62
TOTAL		N/A	33,638.11

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. 0.0 mg/l

(If more than one well, please list each separately)

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION YEAR ENDING 12/31/2002  
2003

### PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 7,428.99

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.


If no property taxes paid, explain why. \_\_\_\_\_

#### ELFRIDA DOMESTIC WATER USERS ASSOC.

P.O. BOX 356 520-642-3559  
ELFRIDA, AZ 85610

2104

91-525/1221


PAY TO THE ORDER OF Cochise Co. Treasurer \$ 1,124.30  
ONE Thousand ONE Hundred Twenty Four and  $\frac{30}{100}$  DOLLARS ☐  
 **SUNSTATE BANK**  
Sunsites Office  
155 Frontage Road  
Pearce, Az 85625  
FOR 2nd 1/2 TAX 02 / 909-11-270-00-6 02  
MP  
"002104" "122105252" "6019901092" "0000112430"

#### ELFRIDA DOMESTIC WATER USERS ASSOC.

P.O. BOX 356 520-642-3559  
ELFRIDA, AZ 85610

2238

91-525/1221

PAY TO THE ORDER OF Cochise Co. Treasurer \$ 1304.69  
Thirteen Hundred Four and  $\frac{69}{100}$  DOLLARS ☐  
 **SUNSTATE BANK**  
Sunsites Office  
155 Frontage Road  
Pearce, Az 85625  
FOR Parcel # 403-25-0413-0 & 909-11-270-6 03-909-11-2706 etc.  
MP  
"002238" "122105252" "6019901092" "0000130469"

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

YEAR ENDING 12/31/2002

7003

**INCOME TAXES**

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For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

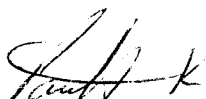
Total Grossed-Up Contributions/Advances

2 CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



**SIGNATURE**

MARCH 22, 2004

**DATE**

PAUL HAMMONCK

**PRINTED NAME**

SEC. - TREASURER

**TITLE**

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

APR 01 2004

**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>PAUL HAMMOCK Sec. - TREASURER</u>
COMPANY NAME <u>ELFRIDA DOMESTIC WATER USERS ASSOCIATION</u>

**ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES**

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH 12	DAY 31	YEAR 200 <u>3</u>
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 65,564

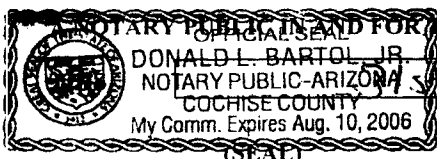
(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 3,989

IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

**SUBSCRIBED AND SWORN TO BEFORE ME**



*Paul Hammock*  
SIGNATURE OF OWNER OR OFFICIAL  
520-642-3559  
TELEPHONE NUMBER

COUNTY NAME <u>Cochise</u>	
MONTH <u>March</u>	YEAR <u>2004</u>
<u><i>Donald L. Bartol, Jr.</i></u> SIGNATURE OF NOTARY PUBLIC	

MY COMMISSION EXPIRES 8/10/06